



MEDI-CAL UPDATE

Part 2

Billing and Policy

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Inpatient Services

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Contents

Medi-Cal Training Seminars

Hospital Administrative Day
Code and Rate Update 1

Vision Care HIPAA Updates
Effective July 1, 2006
Summary 1

CCS Service Code
Groupings Update 2

Reminder for Providers
Transitioning to IPCS
for Vision Claim Submissions 2

Hospital Administrative Day Code and Rate Update

Currently, for dates of service on or after September 22, 2003, hospitals are instructed to bill an administrative day with national revenue code 169 (room and board, other) per HIPAA requirements. It is anticipated that claims billed for dates of service beginning August 1, 2002 through July 31, 2006 will be reprocessed automatically sometime in September 2006 in accordance with the following rate updates:

<u>Effective Date</u>	<u>Revenue Code</u>	<u>Rate</u>
August 1, 2001	098	\$231.30
August 1, 2002	098	\$236.38
August 1, 2003	098	\$236.82
September 22, 2003	169	\$236.82
August 1, 2005	169	\$299.80

Vision Care HIPAA Updates Effective July 1, 2006 Summary

Effective for dates of service on or after July 1, 2006, the following changes will be made to the Medi-Cal Vision Care Program, pursuant to the Health Insurance Portability and Accountability Act (HIPAA):

- Convert Medi-Cal interim codes to national HCPCS Level II and CPT-4 Level I codes.
- Eliminate all Medi-Cal qualifying codes and replace them with national CPT-4 and HCPCS modifiers. Additionally, modifiers X1 – X9 are no longer used for vision services.
- Replace the *Payment Request for Vision Care and Appliances* (45-1) claim form with the *HCFA 1500* claim form.
- Replace the current Treatment Authorization Request (TAR) process for medically necessary contact lenses, low vision aids and other non-Prison Industry Authority (PIA) covered items using the 45-1 claim form, with a new process using the *50-3 Treatment Authorization Request* (TAR) form.
- Replace Medi-Cal's Computer Media Claims (CMC) proprietary format with the ASC X12N 837 v.4010A1 medical format or Internet Professional Claims Submission (IPCS).

Policy for all updates was announced in the May 2006 *Medi-Cal Update*. Updates are reflected on manual replacement pages [appeal form 1 and 2](#) (Part 2) and [hcpcs iii 4](#) (Part 2).

CCS Service Code Groupings (SCG) Update

Effective for dates of service on or after July 1, 2006, a number of codes are added to the California Children's Services (CCS) Service Code Grouping (SCG) 06. The effective date for these codes is designated by the symbol “^”.

Codes 99222 and 99223 were previously added to SCG 06 in error, and are end-dated for dates of service on or after July 1, 2006.

Reminder: SCG 02 includes all the codes in SCG 01; SCG 03 includes all the codes in SCG 01 and SCG 02; and SCG 07 includes all the codes in SCG 01. These same “rules” apply to end-dated codes.

The updated information is reflected on manual replacement page [cal child ser 17](#) (Part 2).



The IPCS system is only available for vision claims with dates of service on or after July 1, 2006.

Reminder for Providers Transitioning to Internet Professional Claim Submission (IPCS) for Vision Claim Submissions

Effective July 1, 2006, the Vision CMC proprietary claims transaction format will no longer be accepted for vision services, regardless of the date of service. Providers who have chosen to transition to the HIPAA-compliant 837 Internet Professional Claim Submission (also known as the 837 Professional Standard Claim on the Internet) are reminded that the IPCS system is only available for claims with dates of service on or after July 1, 2006. For dates of service prior to this, providers must use one of two alternative billing methods:

Option 1 – 837 Claims Submission

The ASC X12N 837 v.4010A1 transaction may be used for claims with dates of service prior to July 1, 2006; however, the required testing must have already been completed and approved. If the required testing was not completed and approved, providers must then submit paper claims (see Option 2, below).

Option 2 – Paper Claims Submission

Providers may submit paper claims for dates of service before July 1, 2006 using the *Payment Request for Vision Care and Appliances* (45-1). For paper claims submitted on or after July 1, 2006, providers must use the *HCFA 1500* claim form.

Instructions for Manual Replacement Pages

Part 2

June 2006

Inpatient Services Bulletin 380

Remove and replace: appeal form 1/2
 cal child ser 17/18
 hcpcs iii 3/4
 tar and non cd9 1/2 *

Note: The May 2006 Bulletin incorrectly included manual replacement pages hcpcs ii 1 and 2.
Please remove. These pages were not intended for the Inpatient Services provider manual.

* Pages updated due to ongoing provider manual revisions.